

Message Text

CONFIDENTIAL

PAGE 01 PARIS 29347 01 OF 02 061758Z

45

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 SSO-00 NSCE-00 USIE-00 INRE-00

CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02 NSAE-00 NSC-05

PA-01 RSC-01 PRS-01 SP-02 SS-15 ACDA-05 SAJ-01 TRSE-00

EB-07 OMB-01 AID-05 STR-01 IO-10 CIEP-01 CEA-01

COME-00 /081 W

----- 109035

O R 061747Z DEC 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC IMMEDIATE 4909

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION NATO

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 29347

E.O. 11652: GDS

TAGS: PFOR, EEC. FR

SUBJECT: EC SUMMIT: THE VIEW FROM PARIS

REF: (A) PARIS 16753; (B) PARIS 21753; (C) PARIS 21855;

(D) PARIS 24980; (E) PARIS 29182; (F) PARIS 25710;

(G) PARIS 29125

1. SUMMARY: HAVING GONE FROM OPTIMISM TO PESSIMISM
ON FRANCE'S "EUROPEAN INITIATIVE," EC-NINE SEEM TO BE
REGAINING SOME CONFIDENCE THAT RESULTS OF EC SUMMIT WILL
JUSTIFY THE EFFORT THAT HAS GONE INTO KEEPING PARIS

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 29347 01 OF 02 061758Z

SUMMIT OPTION ALIVE. REGIONAL FUND AND UK RENEGOTIATION

ISSUES ARE LIKELY CANDIDATES FOR SUCCESSFUL TREATMENT BY SUMMIT. WE EXPECT PROGRESS ON INSTITUTIONAL REFORMS AS WELL. END SUMMARY.

2. SEEN FROM PARIS, EVOLUTION OF EC ATTITUDES TOWARD DECEMBER 9-10 EC SUMMIT IN PARIS HAS FOLLOWED MOST ERRATIC COURSE. MOMENTUM FOR SUMMIT GREW FROM GISCARD'S DESIRE TO MAKE THE MOST (IN DOMESTIC AND EUROPEAN POLITICAL TERMS) OF FRANCE'S TENURE AS EC PRESIDENT DURING LAST HALF OF 1974. BELGIAN PM TINDEMANS' VISIT TO PARIS IN EARLY JULY (REF A) AND PRESS STATEMENTS AFTER GISCARD'S CABINET MEETING JULY 10 FUELED PERCEPTION THAT FRANCE WAS LAUNCHING "EUROPEAN INITIATIVE." EUROPEAN REACTION SEEMED TO BE MIXTURE OF OPTIMISM (THAT GISCARD MIGHT REALLY MEAN TO MAKE FRANCE AN ACTIVE ACCELERATOR IN CONSTRUCTION OF UNITED EUROPE) TEMPERED BY SOME SKEPTICISM (THAT 16 YEARS OF GAULLIST THEOLOGY ON EUROPE COULD BE EASILY AND QUICKLY CHANGED BY GISCARD).

3. GISCARD'S EC SUMMIT "INFORMAL DINNER" SEPTEMBER 14 (REFS B AND C) UNDERLINED VAGUENESS OF FRENCH THINKING ON INITIATIVE. WHEN FRENCH FINALLY PRESENTED PROPOSALS FOR EC INSTITUTIONAL REFORM (AND SEEMED TO PLAY DOWN SUBSTANTIVE ISSUES) AT LUXEMBOURG IN MID-OCTOBER, THEY WERE SURPRISED BY NEGATIVE REACTION WHICH GREETED THEM (REF D). THE CAUTIOUS OPTIMISM OF THE SUMMER THUS GAVE WAY TO MORE PESSIMISTIC INTERPRETATION OF FRENCH "INTENTIONS" IN THE FALL, AND THERE WAS GROWING CONCERN IN PARIS AND ELSEWHERE THAT THE SUMMIT MIGHT TURN OUT TO BE AS UNHELPFUL TO GOAL OF UNITED EUROPE AS THE DISASTROUS COPENHAGEN SUMMIT OF 1973 HAD BEEN.

4. NEVERTHELESS EC HEADS OF GOVERNMENT COULD NOT EASILY RELINQUISH IDEA OF EC SUMMITRY AND SEEMED BENT ON MAKING SUMMIT APPEAR TO BE A SUCCESS -- REGARDLESS OF REALITIES. MORE RECENTLY, HOWEVER, WE HAVE DETECTED A RESURGENCE OF MODERATE AND PERHAPS MORE REALISTIC OPTIMISM THAT, INDEED THE SUMMIT MIGHT YET PRODUCE RESULTS GOING BEYOND SIMPLY PAPERING OVER SERIOUS DIFFERENCES THAT SEPARATE

CONFIDENTIAL

PAGE 03 PARIS 29347 01 OF 02 061758Z

EC-NINE. KEY ELEMENT IN THIS CHEMISTRY SEEMS TO HAVE BEEN TRIANGULAR RELATIONSHIP BETWEEN SCHMIDT, WILSON AND GISCARD, WITH SCHMIDT PROVIDING PUSH. WHILE EC BIG THREE ARE AT PAINS TO MINIMIZE ANY APPEARANCE OF HEGEMONY OVER THEIR SIX SMALLER ALLIES, REALITIES OF EC POLITICS DEMAND THAT THESE THREE AGREE ON FORMULA NEEDED TO PRODUCE SUCCESS FROM POTENTIAL FAILURE OF SUMMIT. SCHMIDT'S VISIT TO THE UK AND HIS FREQUENT TELEPHONE CONVERSATIONS

WITH GISCARD, AND WILSON'S VISIT TO PARIS (REF E)
SUGGEST THAT SENIOR PARTNERS OF EC HAVE CONSTRUCTED
CONSENSUS SUFFICIENT TO MAKE SUMMIT A "SUCCESS."

5. OF THE KEY SUBSTANTIVE PROBLEMS CONFRONTING EUROPE
(INFLATION, UNEMPLOYMENT, MONETARY COOPERATION, ENERGY,
UK RENEGOTIATION, AND REGIONAL AID) ONLY THE LAST TWO
SEEM LIKELY CANDIDATES FOR SOME DEGREE OF SUCCESSFUL
TREATMENT BY THE SUMMIT. AN INTERIM ARRANGEMENT FOR THE
REGIONAL FUND SEEMS AGREED IN PRINCIPLE, ALTHOUGH THE
SUMMIT WILL HAVE TO SORT OUT "WHO PAYS HOW MUCH TO
WHOM." MOREOVER, REF E SUGGESTS THAT COMPROMISE MAY BE

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 PARIS 29347 02 OF 02 061759Z

45

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 SSO-00 NSCE-00 USIE-00 INRE-00

CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02 NSAE-00 NSC-05

PA-01 RSC-01 PRS-01 SP-02 SS-15 ACDA-05 SAJ-01 TRSE-00

EB-07 OMB-01 AID-05 IO-10 CIEP-01 CEA-01 STR-01

COME-00 /081 W

----- 109065

O R 061747Z DEC 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC IMMEDIATE 4910

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION NATO

C O N F I D E N T I A L SECTION 02 OF 02 PARIS 29347

IN MAKING ON KEY ELEMENT OF UK RENEGOTIATION: UK SHARE OF EC BUDGET. BUT THE OTHER ECONOMIC PROBLEMS WHICH BEAR SO HEAVILY ON EC SEEM INTRACTABLE GIVEN DEEP PHILOSOPHIC AND ECONOMIC DIFFERENCES THAT SEPARATE THE NINE. THERE SIMPLY IS NO CONVINCING SIGN THAT EC NATIONS ARE PREPARED TO UNDERTAKE COORDINATED APPROACHES NEEDED TO MEET TODAY'S ECONOMIC PROBLEMS. ON ENERGY, WE SEE LITTLE EVIDENCE THAT FRENCH POSITIONS ON INTERNATIONAL COOPERATION WILL UNDERGO ANY SIGNIFICANT CHANGE PRIOR TO GISCARD'S MEETING WITH PRESIDENT FORD IN MARTINIQUE.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 29347 02 OF 02 061759Z

(SEE SEPTTEL FOR FULLER DISCUSSION OF THIS SUBJECT.)

6. REGARDING THE EC INSTITUTIONAL REFORMS PROPOSED BY FRENCH, IT REMAINS UNCLEAR WHETHER THEY REPRESENT GENUINE WILLINGNESS TO ACCEPT TRANSFER OF FRANCE'S NATIONAL SOVEREIGNTY (REF F). THE SUMMIT ITSELF MAY SHED MORE LIGHT ON FRENCH INTENTIONS IN THIS REGARD. NEVERTHELESS, THREE OF THE PROPOSALS SEEM TO HAVE FAIRLY GOOD CHANCE OF ACCEPTANCE IN SOME FORM BY THE SUMMIT:

(A) EUROPEAN COUNCIL: THIS HAS BEEN MAJOR FRENCH GOAL FROM OUTSET OF ITS EC PRESIDENCY. IT IS SEEN BY PARIS AS MECHANISM FOR BRINGING TOGETHER THE ECONOMIC AND POLITICAL PERSONALITIES OF THE COMMUNITIES IN "CONFEDERAL" WAY THAT PROTECTS NATIONAL PREROGATIVES. THE FRENCH SEEM PREPARED TO ACCEPT POSTPONEMENT OF APPROVAL FOR SEPARATE SECRETARIAT TO SUPPORT EUROPEAN COUNCIL, ALTHOUGH THEY WOULD BE DELIGHTED IF SUMMIT WERE TO GIVE ITS BLESSING TO SECRETARIAT IDEA. DE MARGERIE (QUAI DIRECTOR OF EUROPEAN AFFAIRS) TOLD POLCOUNSELOR DECEMBER 3 THAT THE FRENCH WOULD FEEL THAT SUMMIT WAS SUCCESSFUL IF IT AGREED ON FRENCH EUROPEAN COUNCIL CONCEPT AND THUS MEET A NEED JEAN MONNET CONSIDERS IMPORTANT, AND ON REGIONAL FUND (REF F).

(B) VOTING PROCEDURES: IF BRITISH ARE PREPARED TO ACCEPT GENERAL PRINCIPLE THAT MORE FLEXIBLE VOTING PROCEDURES SHOULD BE APPLIED TO EC BUSINESS, IT MAY BE POSSIBLE FOR SUMMIT TO AGREE IN PRINCIPLE TO THIS MORE FLEXIBLE APPROACH. WHILE CURRENT UK INSISTANCE ON SOME DIRECT REFERENCE TO THE "LUXEMBOURG COMPROMISE" FORMULA SEEMS A HIGH HURDLE IT SHOULD NOT BE IMPOSSIBLE FOR THE COMBINED POLITICAL WILLS OF THE NINE TO FIND A WAY AROUND THIS PROBLEM.

(C) EC PARLIAMENT: OUR SOURCES SUGGEST THAT THE BRITISH (AND THOSE WHO SHARE THEIR RESERVATIONS) MAY BE ABLE TO GO ALONG WITH GENERAL WORDING THAT WILL IMPART MOMENTUM TO CONCEPT OF GENERAL ELECTION OF EC PARLIAMENTARIANS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PARIS 29347 02 OF 02 061759Z

7. AS DE MARGERIE TOLD US RECENTLY, IN RETROSPECT IT MIGHT TURN OUT TO HAVE BEEN BEST TO HAVE STARTED WITH HIGH EXPECTATIONS, TO HAVE PLUNGED INTO "VALLEY OF DESPAIR", AND THEN TO BE PLEASANTLY SURPRISED BY THE EXTENT OF THE SUMMIT'S RESULTS -- WHICH COULD PROVE IMPRESSIVE BY COMPARISON TO THE PESSIMISTS' EXPECTATIONS, ALTHOUGH RATHER MODEST IN ABSOLUTE TERMS. IN ANY EVENT, PARIS IS MOVING TOWARD ITS LONG AWAITED EC SUMMIT WITH A GROWING SENSE OF CONFIDENCE THAT THE RESULTS WILL HAVE JUSTIFIED THE EFFORT.

RUSH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC DEVELOPMENT, MEETING AGENDA, SUMMIT MEETINGS, INTERGOVERNMENTAL COOPERATION, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PARIS29347
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740355-0043
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741254/aaaabujm.tel
Line Count: 247
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: (A) PARIS 16753; (B) PARIS 21753; (C,) PARIS 21855;
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 04 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 APR 2002 by elyme>; APPROVED <15-Aug-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC SUMMIT: THE VIEW FROM PARIS
TAGS: PFOR, FR, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005